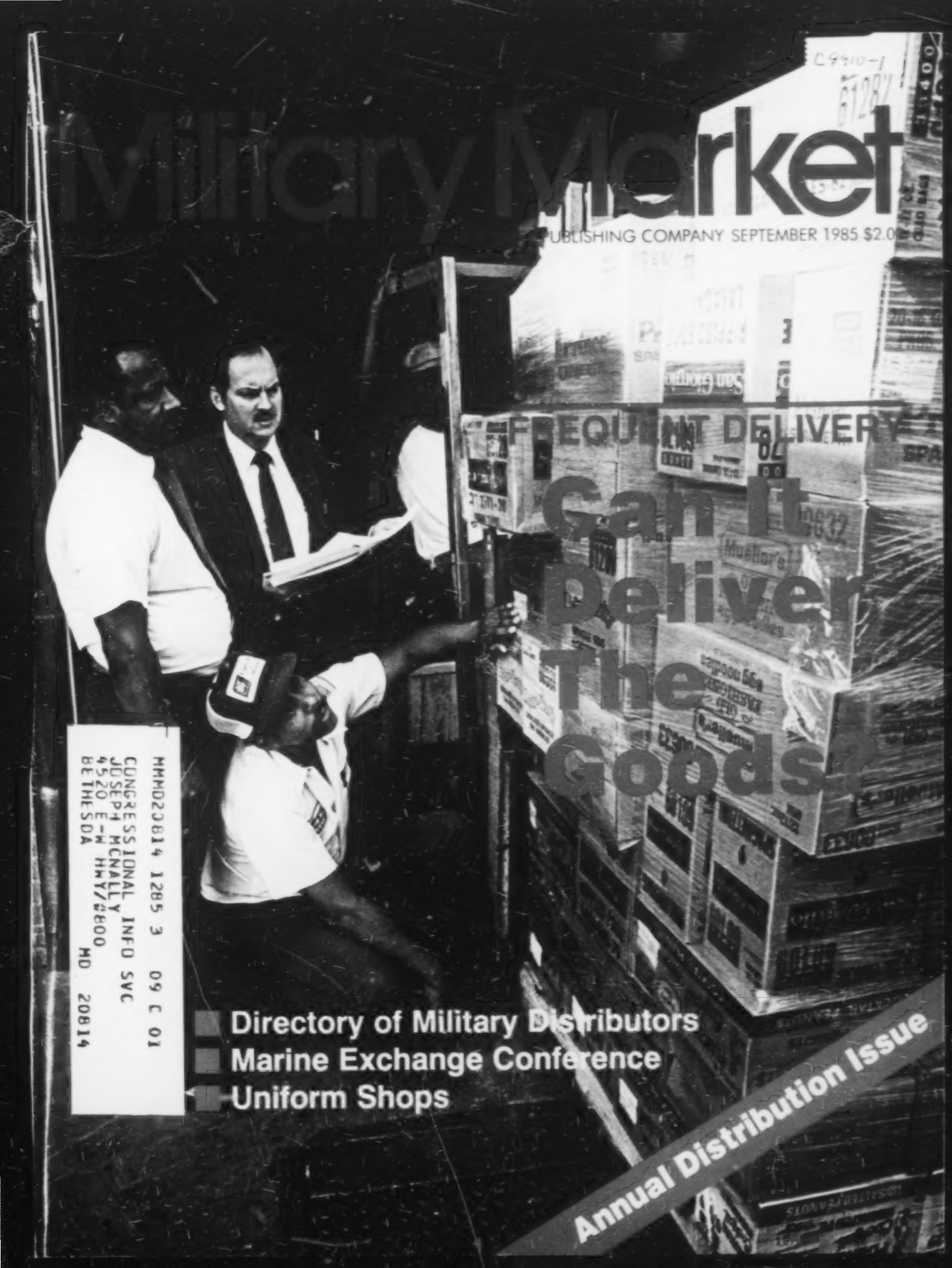

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Military Market survey

Distributors & Direct-Store Delivery

'Get rid of those peaks and valleys'

DISTRIBUTORS SEEM genuinely pleased with the progress of frequent direct store delivery programs currently under way in commissaries.

From the responses garnered this month from 19 commissary distributors, whose corporate experience with the military resale systems ranges from 4 years to more than 45 years, most are extremely positive and hopeful about frequent deliveries.

They are, said one, "a definite advantage to the distributor as well as the commissary, because, now, instead of having large quantities twice a month, deliveries can be two or 10 cases per order.

"This way, there's not as much depleting of inventories with large quantities required on sudden, short notices."

Another thinks that frequent deliveries will help get rid of "all the peaks and valleys" in ordering. "This allows for faster recovery from an out-of-stock condition and a fresher product on the shelves," he says.

Eighteen of the 19 respondents said they handle only military accounts. The single respondent who also handles civilian accounts said the major difference between the two markets is the "greater amount of paperwork and hassles involved in doing business with the military."

Only four respondents said they performed any rack-jobbing services for the military. None of these had encountered any direct or indirect pressures against them from brokers or others in the resale business, they said.

Seven distributors said they are currently involved with direct-store delivery tests. Several who are not currently involved in DSD programs said they are looking forward to taking part, should it become a systemwide practice.

The only severe problem that surfaced in questionnaire responses is the ever-present one — too much waiting time to unload trucks. "This is a problem which just doesn't seem to go away, and with more frequent deliveries and more trucks waiting to unload, it's only gotten worse," laments one.

Asked if they think DSD will eliminate military brokers, respondents said they definitely don't believe that frequent deliveries will diminish the role of the sales representative — 16 of the 19 respondents said this is unlikely. Some even think it will free brokers to do more promotional tasks.

Says one, "The salesperson is hired to promote a product, not inventory and not to chase store personnel around all day trying to get a signature on yet another form. With electronic ordering systems and frequent deliveries, this will only free salespeople to work displays, arrange VPRs, present new items and even take on a new product line. The salesperson was hired to be a merchandiser — not an order taker. They will remain a very important and essential part of the marketing chain."

Several respondents point to electronic ordering systems and in-store scanning as the biggest changes they've witnessed since entering the business. Others say they have an overall impression that commissaries are doing things a little bit differently. Efficiency, says one distributor, is "not a word usually associated with commissaries, I know, but they seem to be a lot more efficient today with scanning, lot pricing and electronic ordering."

Computers are becoming a mainstay for distributors, too. All 19 respondents say they use computers in some aspect of their operations — for inventory, accounts receivable, accounts payable, ordering, billing, movement information or invoicing. Says one, "Our whole operation is geared towards the computer."

Their major beef with manufacturers is "Sometimes they treat us as a public warehouse, overloading us with merchandise to satisfy their needs of low quantities of merchandise to be shipped to us by full truck from a distant manufacturing plant."

With military brokers the problem is communication, or the lack of it: "Sometimes we don't find out about a new item offered to the military until we receive the order to ship."

Another says, "We are not always getting enough lead time on dead, discontinued items — it's all a matter of talking to one another and communicating." MM

1. HOW MANY YEARS HAS YOUR COMPANY BEEN IN THE DISTRIBUTION BUSINESS? 1-5 — 2. 5-10 — 3. 10-20 — 4. 20 or more — 10.

2. IF YOU DISTRIBUTE TO BOTH MILITARY AND CIVILIAN CUSTOMERS, HOW DO THE TWO TYPES OF ACCOUNTS DIFFER? (See story for comments)

3. WHAT, IF ANY, IN-STORE SERVICE DOES YOUR COMPANY SUPPLY TO COMMISSARIES? (See story for comments)

4. DO YOU DO ANY RACK-JOBBING IN POST OR BASE EXCHANGES? IF YES, IN WHAT CATEGORIES? Yes — 4. No — 15.

5. IF YOU RACK-JOB IN EXCHANGES, HAVE YOU ENCOUNTERED ANY DIRECT OR INDIRECT PRESSURE AGAINST YOU BECAUSE YOU ARE A RACK-JOBBER? Yes — 0. No — 4.

6. IF SO, WHAT TYPE OF PRESSURE HAVE YOU ENCOUNTERED?(See story for comments)

7. ARE YOU INVOLVED IN ANY TEST OF FREQUENT DIRECT-STORE DELIVERIES WITH ANY OF YOUR COMMISSARY ACCOUNTS? Yes — 7. No — 12.

8. IF SO, WHAT ARE THE BENEFITS AND THE DISADVANTAGES OF FREQUENT DIRECT—STORE DELIVERY? (See story for comments)

9. WITH DISTRIBUTORS DOING MORE FREQUENT DELIVERIES AND USING ELECTRONIC DATA INTERCHANGE, DO YOU THINK IT'S POSSIBLE THAT SALES REPRESENTATIVES WILL NO LONGER BE NEEDED IN THE MILITARY RESALE BUSINESS? Yes — 3. No — 16.

10. WHAT IS THE BIGGEST CHANGE YOU'VE SEEN SINCE ENTERING THE BUSINESS? HAS THIS CHANGE BEEN GOOD OR BAD? (See story for comments)

11. HOW DO YOU USE COMPUTERS IN YOUR BUSINESS? (See story for comments)

12. WHAT IS YOUR BIGGEST PROBLEM IN DEALING WITH MANUFACTURERS? (See story for comments)

13. WHAT IS YOUR BIGGEST PROBLEM IN DEALING WITH MILITARY BROKERS? (See story for comments)

14. WHAT IS YOUR BIGGEST PROBLEM IN DEALING WITH THE MILITARY RESALE SYSTEMS? (See story for comments)

15. IF YOU COULD CHANGE ANYTHING ABOUT THE MILITARY DISTRIBUTION BUSINESS, WHAT WOULD IT BE? (See story for comments)

RULING, from page 18

lower-level positions, defined as grades between UA-5 and UA-12, women received just 88.6 percent of the promotions, while men received 109 percent of them. "Such a difference," Buchmeyer declared, "represents a significant disadvantage for the female employee."

In its defense, AAFES contended that requiring mobility was necessary to maintain an adequate source of workers to staff its worldwide facilities. But Buchmeyer noted this was "not supported by any study or any empirical evidence."

Buchmeyer also said that female employees of the exchange service "are paid less than men." This disparity, he argued, is partially due to differences in both initial job assignments and promotions.

Shafer's lawyer Thorpe told MILITARY MARKET that, "I believe we showed rather conclusively that it costs an average of 15 cents on the dollar to be a female worker within AAFES, in terms of both salary and grade promotions."

The next stage of the litigation, tentatively scheduled for November of this year, will address individual claims of discrimination by female employees of AAFES who are affected by Buchmeyer's decision.

Those women directly benefitting from Shafer's class-action suit are defined as any female employed at either AAFES headquarters or the fashion distribution center after April 1, 1972. However, since many of these women have been subsequently transferred to other locations since that time, the benefactors are spread out across the world.

"Not *all* AAFES employees will be able to file claims," observed an agency spokesman, "... just those denied promotions during the class period — from April 1, 1972 to February 3, 1982."

In addition, if AAFES decides to drop its mobility requirement, every employee, female and male alike, above the grade of UA-12 within AAFES worldwide, more than 1550 employees in all, could be affected.

The judge's order calls for Thorpe, Shafer's lawyer, to suggest a way of estimating the total monetary loss to the women affected. Buchmeyer will then decide whether to approve the award or not.

Although Thorpe was unable to estimate the loss, a source familiar with the ramifications of the case told MILITARY MARKET: "We could be looking at $40 million or more, since it [the case] goes back for more than 10 years."

Thorpe explained that there are two possible scenarios for settling monetary claims in the case. Either each woman affected by the decision could file a separate claim, or the judge could decide on a class-wide basis to establish a single settlement figure, divided among the women filing claims.

Thorpe argues that other women who file claims will not have any responsibility to establish the burden of proof in their claims. "AAFES is going under the assumption that the women affected by the decision will have to establish the burden of proof in each individual case, but it will be our contention that we have already established this."

He also believes, Thorpe added, that effects of the decision could be felt worldwide among more than 70,000 AAFES employees, 68 percent of whom — 37,000 — are women. "It's not inconceivable that AAFES will do away with its mobility requirement entirely. That would clear the way for women to move into higher level jobs outside of the U.S., where [because of the mobility requirement] they previously could not."

Stafford Hutchinson, the assistant U.S. attorney who represented AAFES in this case, declined any comment on the judge's decision.

AAFES officials have generally declined comment on the case, although official spokesman Ken Boniface did say that, "We do not agree that our policies or practices are discriminatory to female employees." Boniface added that AAFES is discussing an appeal with the Department of Justice.

More data on DoD commissary test of Reservist privileges

The Defense Department and the Office of Management and Budget recently told Congress that they oppose expanding Reservist commissary shopping privileges. (See MILITARY MARKET, August 1985).

In making that decision, the Defense Department had conducted a test — mandated by Congress — of three regions to gauge the use of commissaries by Reservists.

A DoD official noted that no reliable comparison can be made of the test results among the three regions, because of variation — by region — in the distances between Reservists' homes and nearby commissaries.

Below are the results of the test.

Commissary Reserve Test Weighted Utilization Rate

Average Utilization Rate by Test Area (%)	Test Pop.	Pop. Weight	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Avg.
New England	60,911	6	0.2	1.3	4.1	4.3	4.9	5.2	4.9	4.8	4.8	4.7	5.2	6.9	4.3
San Antonio, Tex.	10,229	1	5	13	21	18	19	21	18	22	20	19	23	28	18.9
Los Angeles, Cal.	30,384	3	0.3	2.2	6.5	6.7	6.6	9.3	7.9	9.0	8.5	8.8	10.2	12.7	7.4
Weighted average utilization rates:			0.7	2.7	6.5	6.4	6.8	8.0	7.1	7.8	7.4	7.4	8.5	10.8	6.6

Commissary Reserve Test Area Statistics Dollar Recap of Sales Increase

($000)	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	12 Month Total	Annual Sales	Annual % Increase
New England	21	112	350	370	416	444	415	413	411	400	443	588	4,383	104,304	4.2%
San Antonio	73	191	306	262	277	306	263	317	289	277	328	407	3,296	122,532	2.7%
Los Angeles	14	94	276	283	281	397	336	381	363	375	433	540	3,773	121,440	3.1%
Total Test Sales	108	397	932	915	974	1,147	1,014	1,111	1,063	1,052	1,204	1,535	11,452	348,276	3.3%

LOOKING FOR A FEW GOOD BARGAINS: Shoppers look over merchandise at Henderson Hall exchange, Arlington, Va. *(Staff photos by Tracy Woodward)*

MCX: On the Same Wavelength

Charged by their four-day rally, Marine Corps exchange managers gain fresh ideas and plan to make some changes back at local stores.

By JAY BLUCHER
Associate Editor

ONE OF THE MANY benefits that comes from running a small, decentralized system like the Marine Corps exchanges is being able to bring all exchange managers and headquarters people together under one roof. The Marines do it once a year.

"It ensures that we're all operating on the same wavelength," is how one exchange manager described the Marine Corps exchange conference, held June 12-15 at New York City's Sheraton City Squire Hotel.

Eighty-four people attended — 65 exchange representatives worldwide and 19 people from headquarters. The sessions covered virtually every area of an exchange manager's concern.

Besides a store-by-store analysis of Marine Corps' sales and trends, attendees heard retail experts from the commercial sector speak on matters dear to their hearts — reaching off-base shoppers, maintaining healthy relationships with customers and tips for better buying.

"The feedback we have received at headquarters from this conference has simply been spectacular," Irv Feinberg, Marine Corps Service Branch operations officer, tells MILITARY MARKET.

"It's so good for exchange managers to hear about the problems other managers face, and how they are seeking to remedy those problems. It makes them realize that they are not alone with their problems."

Holding the conference in New York City, the mecca of retailing, had spinoff benefits for many managers. "Visiting some of the major department stores up here, such as Macy's and Bloomingdale's, has given me a lot of incentive to re-evaluate what we've been doing, and try to incorporate some of the things I've seen up here," exclaimed one.

"We try to hold our annual conference in a major market area," explains Feinberg, "so that our exchange managers can learn about some other aspect of their operations. There should be more to a conference than just listening to all us headquarters people pontificate from a podium."

MCX at a Glance

The three themes of this conference, outlined by Col. Bill Irwin, head of the Marine Corps Exchange Service Branch, were "to improve customer service, better manage our people and keep talking to our customers."

Irwin stressed that Marine Corps exchange outlets must become more aggressive to compete with off-base retailers. "We are entering an era of little retail growth in the future, and if there's any growth in the years ahead, it's going to have to come at the expense of other retailers," Irwin said.

Irwin gave exchange officers and managers a quick look at their year's performance. Total systemwide sales topped $408 million in 1984, a 2.6 percent increase over the previous year. For the entire system, profits were a healthy $23.76 million, representing 5.82 percent of total sales. Over the last ten years, MCX sales have increased by 52.1 percent.

But Irwin warned that these figures are not as rosy as they might seem. The department store index, which measures the impact of inflation on the merchandise sold in commercial retail department stores, has increased 44.7 percent over the last ten years. This means, Irwin said, "that in terms of real growth, Marine exchanges have witnessed [only] a 7.4 percent increase over the last ten years."

In a more upbeat note, "The areas where we make our money showed increases in 1984," he said. "Vending is still our little gold mine — with 6 percent of our sales generating 29 percent of our profit."

Irwin compared Marine sales to the other resale systems. Navy's total sales increased by 3 percent, while AAFES saw a slim 1.7 percent increase. Navy exchanges outstripped their Marine counterparts slightly in 1984, as they did in 1983. *[EDITOR'S NOTE: See chart.]*

The Marines' 1984 goal was for each main store to show 4.5 percent of its total sales as net profit. But

"over half of our exchanges did not meet this goal," charged Irwin.

The exchange at Parris Island, S.C., registered the highest percentage for sales as a percent of profit: 7.5 percent. Camp Elmore, Va., registered the lowest: a minus 0.49 percent of its sales as net profit.

Also, there was a bad side to the good news. "If your store ended the year at over 6.5 percent, you're subject to the accusation that you are gouging your customers," Irwin cautioned. "If your store is above 6.5 percent, you want to seriously reconsider your markups."

Service stations remain a problem area. As Irwin told the group, "It's definitely the toughest market we're in. But, if you make any profit at all, you're helping your exchange and, if you're in a plus situation at all, it behooves you to stay in this market."

All but one Marine Corps exchange showed a profit from food service in 1984. The highest numbers were posted at Camp Lejeune, N.C., with a 19.8 percent operating profit. Guantanamo Bay, Cuba, had the poorest showing, with a massive display of red ink at minus 34.38 percent.

The sour subject of bad checks surfaced as well, with Camp Pendleton, Calif., leading the list with more than $92,000 in bad checks passed last year. "Bad checks are just bad business," said Irwin. "We have to write off one dollar for every $2.70 worth of bad checks. On a systemwide scale, this means that it cost the Marines more than $67,000 last year. We don't recoup our losses on bad checks."

Fast Food Update

Fast food operations remain the stellar performers for Marine exchanges. Managers without Burger Kings or McDonald's on their bases heard glowing praises from those who did.

"We are entering an era of little retail growth ... and if there's any growth in the years ahead, it's going to have to come at the expense of other retailers."

"I can tell you all that fast food is the best thing that ever happened at my base, and urge all of you to seriously look into it," said Ken Lewis, general manager at the El Toro exchange. "We have not yet seen the full impact of the Burger King at our location, and we're averaging more than $14,000 a day."

Fast food operations in the Marine Corps differ from base to base, another example of the Marines' localized approach to the resale world.

Lt. Col. Ben King, exchange officer at Camp Pendleton, told the group that his store's contract with McDonald's began in February 1983; the contract was re-negotiated in February 1984 for four more years. The contractor pays for the utilities, and the Marines get 15.75 percent of sales.

Camp Pendleton has a Burger King contract, and will reap 20.5 percent, with Burger King paying for the construction costs. At Camp Lejeune, N.C., the Burger King contract lasts for five years, with one five-year extension. The Marines pay for the utilities at this location, but get 21.01 percent of sales.

"The Burger King never cost the Marines one cent to build, and it did more than $4.5 million in its first year of operation," said Maj. Dorsey Robinson, exchange officer at Lejeune.

At El Toro, there is a five-year McDonald's contract, with five one-year extensions. The Marines paid for construction costs; McDonald's pays for the utilities. The exchange gets 18.2 percent of sales.

El Toro's Ken Lewis noted that fast food outlets did not hurt dining facilities at the base. "We have actually see an 11 percent increase in the use of our dining halls since fast food came here. It's obviously keeping our Marines on the base."

Learning About Off-Pricers

Conference attendees heard a presentation by Isaac Lagnado, director of research at Associated Merchandising Corp., a consulting agency providing market research and data to a group of private retailers since 1979.

Some of the first research on off-price outlets was done at AMC, and some of these off-price stores are major retail competitors for some Marine exchanges. Lagnado stressed that research confirms that there are three types of forgotten customers who flock to off-price outlets — moderate income, tradition-minded and convenience shoppers.

AMC has also conducted research on career women — what they buy, how they shop and what they look for in a store. Most recent Marine exchange surveys show that they are missing more than 75 percent of the potential market for career women.

"Career women are very brand aware," said Lagnado, "so much so

1984 Marine Corps Versus "the Other Guys"
(in millions)

	AAFES	NAVRESSO	MCX
Sales	$4,862.9	$1,569.7	$ 408.0
% Increase	1.7	3.0	2.6
Net Profit	$ 236.3	$ 72.8	$ 23.7
% of Total Sales	4.9	4.6	5.8
Donation to Recreation	$ 118.2	$ 50.8	$ 17.6
% of Total Sales	2.4	3.2	4.3
% of Net Profit	50.0	69.8	74.3

SHRINKAGE
% short to merchandise sales

	1979	1980	1981	1982	1983	1984
MCX Service	.73	.70	.68	.59	.71	.72
AAFES	.89	.72	.70	.70	.69	.66
NAVRESSO	1.10	1.01	.91	.98	1.04	.81
Commercial	2.40	2.00	2.30	2.40	2.00	N/A

Marine Corps Exchange Total Sales — 1984

1984 Standing	Exchange	1984 Total Sales
1	Camp Pendleton, CA (1)	$ 69,678,846
2	Camp Lejeune, NC (2)	65,165,791
3	El Toro, CA (3)	44,588,557
4	Quantico, VA (4)	36,299,296
5	Kaneohe Bay, HI (6)	34,044,820
6	San Diego, CA (5)	32,045,742
7	Parris Island, SC (7)	25,030,551
8	Cherry Point, NC (9)	22,141,541
9	Twentynine Palms, CA (8)	21,126,941
10	Iwakuni, JA (10)	16,234,971
11	Henderson Hall, VA (11)	11,785,814
12	Yuma, AZ (12)	8,456,705
13	Camp Elmore, VA (13)	5,344,054
14	Guantanamo Bay, Cuba (14)	5,094,190
15	Albany, GA (15)	4,416,846
16	Panama, CZ (16)	3,937,459
17	Barstow, CA (17)	2,626,307
	TOTAL	$408,008,431

( ) = 1983 standing

that one out of every five women shoppers told us that they would not shop at a particular store if it didn't carry a particular brand."

Additionally, 56 percent of career women believe private label goods are equal in quality to most other national brands. "In the career women's market, half of all apparel sales are now being done at off-price outlets," said Lagnado.

AMC's research shows that 47 percent of off-price shoppers say they shop these outlets for convenience, which Lagnado defines as, "anything that leads to a hassle-free transaction." Twenty-eight percent say they shop these stores for fashion, 16 percent for merchandise quality, and 9 percent based on price alone.

"It's a total misconception that shoppers are flocking to these stores for better prices. The price-only shopper is less than one in ten," he said.

Citing areas where off-price outlets are vulnerable, he pointed out that more than 74 percent of off-price shoppers say they are bothered by merchandise gaps in their stores, and more than 50 percent feel that off-pricers carry less up-to-date merchandise than department stores.

Patron Survey: 'Lack of Confidence'

The popularity of off-price stores is only one problem facing Marine Corps exchange managers. Carl Land, assistant head of the Exchange Service Branch, discussed the mixed results of the August 1984 Marine Corps exchange market survey, which received responses from more than 23,000 exchange patrons — out of a possible total of over 71,000 patrons surveyed.

"We were rated good to outstanding in the areas of fast refunds, convenient locations, courteous employees and low prices," said Land. "Also, we found that our exchanges are shopped most often for 23 out of the 26 merchandise categories."

But, he quickly added, "We should not feel too secure. In only three categories are we getting as much as 50 percent of the market share."

These categories were magazines and cards, where Marine exchanges get 59 percent of the market share, cameras and photo equipment, also with 59 percent, and tapes and records, with 54 percent.

Contrary to Lagnado's comments about only 9 percent of shoppers deciding to buy on the basis of price alone, Marine Corps patrons cited price as the primary reason for making a purchase in these three categories. Customers cited selection and convenience as secondary reasons influencing their purchasing decisions.

"In almost all cases, these categories are discounted in Marine Corps outlets from the cover price or suggested retail price," said Land.

Conversely, Marine Corps exchanges are not getting 77 percent of the women's clothing market, 75 percent of women's shoes, 72 percent of children's shoes, 69 percent of household cooking items, 68 percent of men's clothing and 68 percent of auto supplies.

Land said that shoppers are receiving confusing signals from Marine exchanges in these areas. He said, "I believe — and a number of customer surveys support this position — that our customers are losing confidence in the exchange system as a place where they can save money. Artificially and outrageously high markups with subsequent markdowns only serve to confuse the shoppers and adds dramatically to the loss of confidence." MM

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Military Market index

		MAY			YEAR-TO-DATE		
Commissaries		**CY'85**	**CY'84**	**%CHANGE**	**CY'85**	**CY'84**	**%CHANGE**
Air Force	CONUS	$161,858	$158,113	2.37	$757,918	$750,892	0.94
	OVERSEAS	28,432	31,960	-11.04	147,389	148,037	-0.44
	TOTAL	**190,290**	**190,073**	**0.11**	**905,307**	**898,929**	**0.71**
Army	CONUS	112,560	110,670	1.71	530,040	522,900	1.37
	OVERSEAS	32,025	34,230	-6.44	155,190	163,380	-5.01
	TOTAL	**144,585**	**144,900**	**-0.22**	**685,230**	**686,280**	**-0.15**
Navy	CONUS	59,752	57,177	4.50	308,413	294,154	4.85
	OVERSEAS	6,800	6,763	0.55	34,343	34,292	0.15
	TOTAL	**66,552**	**63,940**	**4.09**	**342,756**	**328,446**	**4.36**
Marines	CONUS	14,878	13,962	6.56	70,592	65,003	8.60
	OVERSEAS	295	237	24.47	1,229	989	24.27
	TOTAL	**15,173**	**14,199**	**6.86**	**71,821**	**65,992**	**8.83**
Coast Guard	CONUS	224	239	-6.28	1,293	1,180	9.58
	OVERSEAS	252	261	-3.45	1,434	1,356	5.75
	TOTAL	**476**	**500**	**-4.80**	**2,727**	**2,536**	**7.53**
All Commissaries	CONUS	349,272	340,161	2.68	1,668,256	1,634,129	2.09
	OVERSEAS	67,804	73,451	-7.69	339,585	348,054	-2.43
	TOTAL	**$417,076**	**$413,612**	**0.84**	**$2,007,841**	**$1,982,183**	**1.29**
Grocery Stores	U.S.[1]	**$22.787**	**$21.475**	**6.11**	**$106.148**	**$101.409**	**4.67**
Exchanges							
AAFES	CONUS	$262,142	$248,114	5.65	$1,134,859	$1,110,766	2.17
	OVERSEAS	162,829	165,141	-1.40	751,221	769,387	-2.36
	TOTAL	**424,971**	**413,255**	**2.84**	**1,886,080**	**1,880,153**	**0.32**
Navy	CONUS[2]	94,676	95,834	-1.21	420,748	417,691	0.73
	OVERSEAS[2]	40,414	37,871	6.71	178,393	174,513	2.22
	TOTAL[2]	**135,090**	**133,705**	**1.04**	**599,141**	**592,204**	**1.17**
Marines	CONUS	31,133	30,069	3.54	138,734	135,155	2.65
	OVERSEAS	5,245	5,029	4.30	23,918	23,531	1.64
	TOTAL	**36,378**	**35,098**	**3.65**	**162,652**	**158,686**	**2.50**
Coast Guard	CONUS[3]	7,176	6,574	9.16	31,964	29,799	7.27
	OVERSEAS[3]	540	824	-34.47	2,509	3,716	-32.48
	TOTAL[3]	**7,716**	**7,398**	**4.30**	**34,473**	**33,515**	**2.86**
Mail Order	CONUS[4]	1,189	1,136	4.67	5,925	6,861	-13.64
	OVERSEAS[4]	3,452	4,355	-20.73	14,840	19,959	-25.65
	TOTAL[4]	**4,641**	**5,491**	**-15.48**	**20,765**	**26,820**	**-22.58**
All Exchanges	CONUS	396,316	381,727	3.82	1,732,230	1,700,272	1.88
	OVERSEAS	212,480	213,220	-0.35	970,881	991,106	-2.04
	TOTAL	**$608,796**	**$594,947**	**2.33**	**$2,703,111**	**$2,691,378**	**0.44**
Department Stores	U.S.[1]	**$11.226**	**$10.700**	**4.92**	**$47.090**	**$44.340**	**6.20**

1) SOURCE: U.S. Department of Commerce. 2) Does not include sales of ships stores. 3) MM estimate, based on official data. 4) Includes consolidated sales for all services, including Coast Guard.

NOTE: Individual figures may not add to totals because of rounding. All sales are expressed in millions (add 000), except grocery stores and department stores, which are in billions. Commissary sales include appropriate surcharges, and exchange sales include concession volume.